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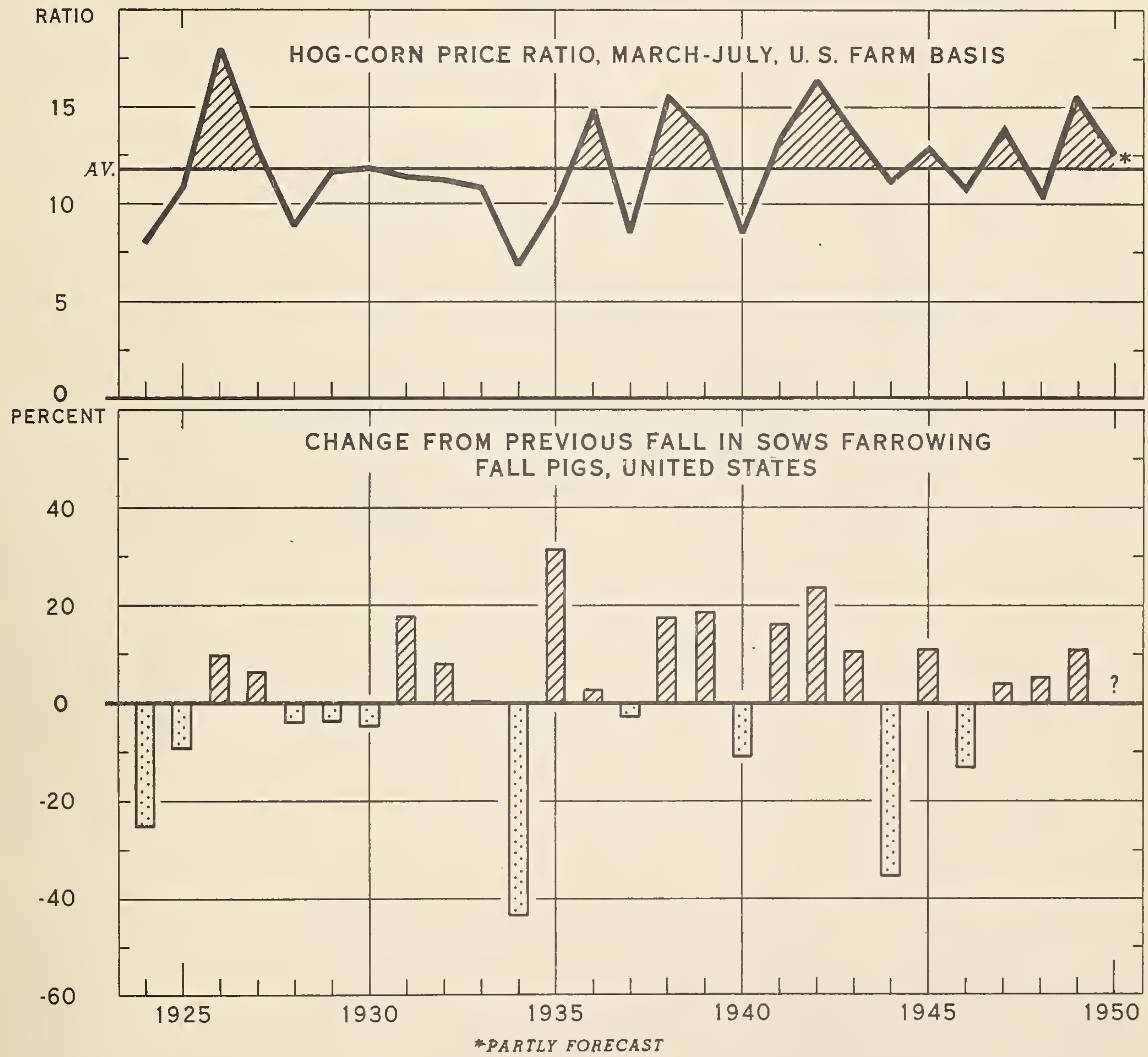
THE Livestock and Meat SITUATION

BUREAU OF AGRICULTURAL ECONOMICS
UNITED STATES DEPARTMENT OF AGRICULTURE

LMS- 37 BAE MARCH 1950

HOG-CORN PRICE RATIO AND PERCENTAGE CHANGE IN FALL SOWS FARROWING, UNITED STATES, 1924-50

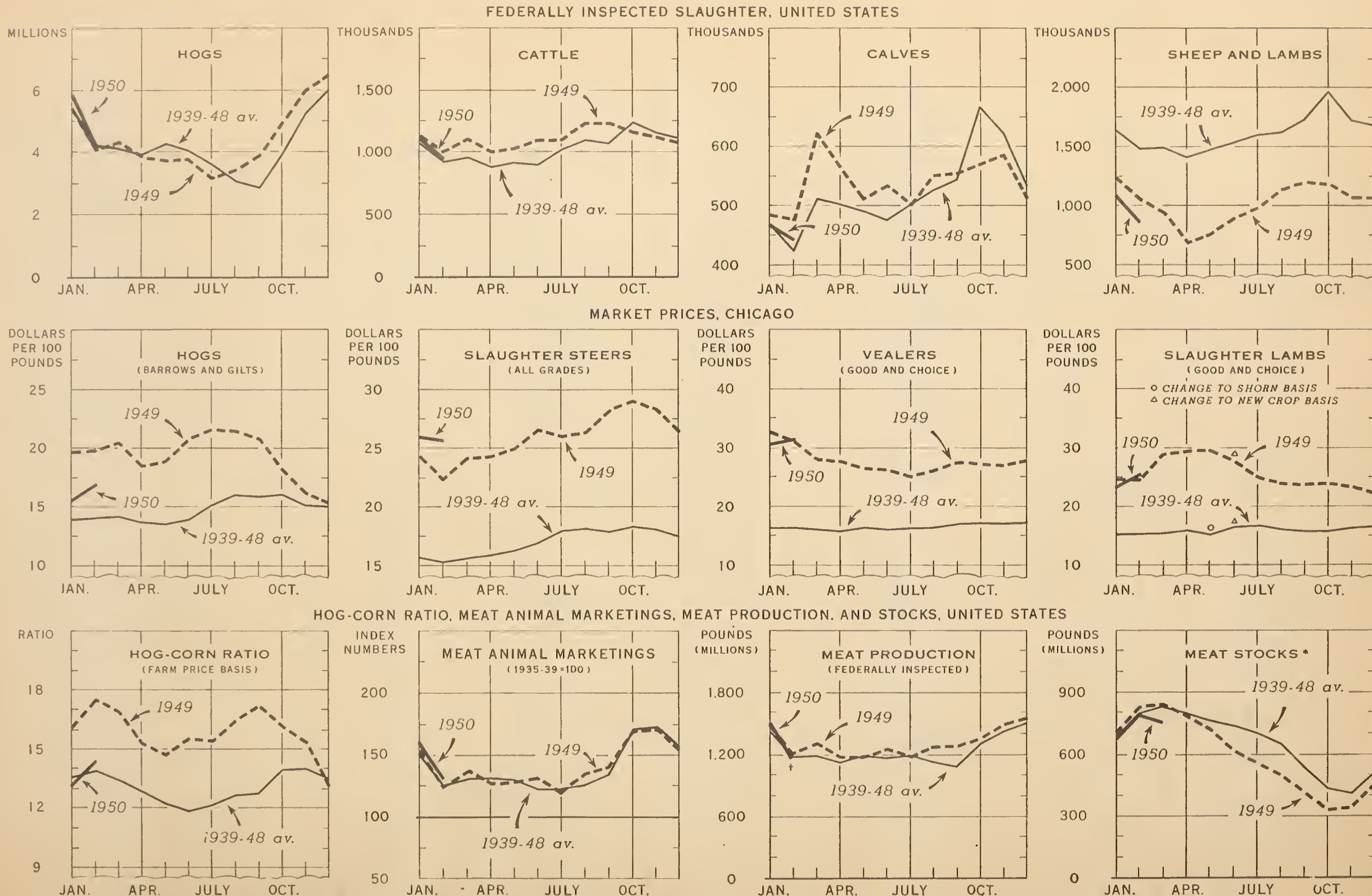


U. S. DEPARTMENT OF AGRICULTURE NEG. 46732 BUREAU OF AGRICULTURAL ECONOMICS

The hog-corn price ratio is expected to be lower this spring than last but a little above average. It may be followed by a small increase in the number of sows to farrow fall pigs, which with somewhat lighter slaughter weights would provide about the same supply of pork per person in the spring and summer of 1951 as this year. It would probably result in hog prices only a little lower than this spring if consumers' incomes do not decline.

Intentions of corn producers in March were to plant 82.8 million acres of corn, compared with the 87.9 million acres planted last year. If this intention is carried out and yields are about average, the price of corn is likely to be nearer loan rates next fall than they have been this season. In this case, returns from hogs will be somewhat lower next year than this.

LIVESTOCK AND MEAT SITUATION



*BEEF, LAMB AND MUTTON, PORK, AND MISCELLANEOUS MEATS IN MEAT PACKING PLANTS AND COMMERCIAL COLD STORAGE HOUSES, BEGINNING OF MONTH
†ESTIMATED

U. S. DEPARTMENT OF AGRICULTURE NEG. 47561 BUREAU OF AGRICULTURAL ECONOMICS

THE LIVESTOCK AND MEAT SITUATION

Approved by the Outlook and Situation Board, March 22, 1950

SUMMARY

Hog prices at Chicago in March averaged about $4.00 per 100 pounds below March 1949 and more than $10.00 below the high level of March 1947. Prices throughout the spring and early summer are expected to be a little above average in relation to the price of corn, which is less than the loan rate. Based on this slightly favorable hog-corn price ratio and the March report of prospective plantings which indicated that planted acreages of corn will be larger than acreage allotments, a small increase appears likely in the number of sows to farrow fall pigs in 1950. The percentage gain from 1949 is likely to be the smallest in three years. However, lighter slaughter weights of hogs and the growth in United States population probably will keep supplies of pork per person in the spring and summer of 1951 about the same as those this year.

Demand for pork products has weakened in the last two or three years, and prices of all pork products have declined. Prices of fat cuts and lard have fallen most. Although the largest part of the postwar adjustment in demand and prices probably has already occurred, hog prices throughout 1950 are expected to be lower than in 1949. Declines in 1951 may be small. The best indication at present is that prices of hogs at the time the 1950 fall pig crop is marketed will be somewhat lower than this year, the price of corn will be nearer the loan rate and therefore higher than this year, and the hog-corn ratio will be about average. If this outlook proves true, profits from the hog enterprise will no longer have the benefit of the unusually favorable price relationships that have prevailed since July 1948.

As marketings of hogs increased in March, the price declined. The average price at 7 markets held a small margin above the support guide until the week ended March 18, when it fell to 10 cents per 100 pounds below the guide. As 1949 fall pigs come to market in greater numbers in the next month or two, a further decline in prices is likely. Slaughter in April to mid-June will probably be considerably larger than a year earlier.

Prices of stocker and feeder cattle have continued to climb, and in March were up to the 1948 record high for the month. Their relationship to current prices of Good grade slaughter steers is about average. However, the price gain, or feeding margin, on cattle bought as stockers or feeders this March and sold next fall will probably be smaller than in recent years. Prices of slaughter steers in fall months are not expected to be as high this year as last. Peak marketings of fed cattle are expected to be later this year than in 1949, and although a seasonal price advance will probably begin about mid-summer following the present seasonal decline, it is unlikely to carry prices to as high a point as was reached last year.

The early spring lamb crop was 2 percent larger this year than last. The increase, the first in 9 years, represented the higher proportion of ewes lambing before March 1 in the Southeastern States and Missouri. The combined early and late crop in those States is likely to be smaller than last year, because ewe numbers are down. Except in the Pacific Coast States, where cold weather retarded growth of feed and development of lambs, spring lambs were making good progress on March 1.

REVIEW AND OUTLOOK

1950 Fall Pig Crop Likely to be a Little Larger Than 1949 Crop

The fall pig crop has increased each year since the low point of 1946. In 1948 the increase was 8 percent, and in 1949 it was 10 percent. The 1949 fall crop of 37,262,000 pigs was 22 percent larger than the 1946 crop of 30,548,000. Present prospects are that the fall crop will again increase in 1950, but that the percentage gain will be considerably smaller than it was in 1948 and 1949. 1/

The hog-corn price ratio is currently much lower than it was a year ago, although higher than in the spring of 1948 and a little higher than average. The United States average ratio, based on prices received by farmers, on February 15, 1950 was 14.3. A year earlier it was 17.5; two years earlier, 11.2. The ratio in March to July is expected to average something over 12.0--possibly around 12.5. A ratio of 12.5 would be a little above the long-time average ratio of 11.5 - 12.0 (table 1).

In the past, many producers who planned their breeding program according to hog-corn price relationships at the breeding season for the fall crop would often have profited by giving more attention to the outlook for prices when they would be marketing that crop. 2/ This year more producers are likely to consider prospective trends, not only in prices but in other factors such as the supply of feed. The persistent decline in hog prices the past two years has served as a general warning on prospects for the future. Moreover, the allotment program for corn is a factor not present since early in the war. Finally, possible hog price support programs will be important to the outlook for hog prices in the spring and summer of 1951, when hogs from the 1950 fall pig crop will be marketed.

Barrows and gilts at Chicago sold in February 1950 for an average of $16.85 per 100 pounds, and in the first 3 weeks of March averaged $16.72. The price this March was down about $3.75 per 100 pounds from March 1949, $5.25 from March 1948, and more than $10.00 from March 1947. If the rate

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1/ Farmers' intentions on June 1 for the number of sows to farrow in the fall will be reported June 21. The first estimate of the fall pig crop will not be released until December 21.
2/ A discussion of current versus prospective prices as guides for hog production was given in this Situation for May 1948.

of decline of the past three years were to continue another year, and if the price of corn were to be held up to the loan price, the hog-corn price ratio in the spring of 1951 would be below average. Based on the analysis that follows, a more likely prospect is that the decline in hog prices will be somewhat smaller in the next year, and that corn prices will be nearer, but not fully up to, the loan rate. The hog-corn ratio in the spring of 1951 thus would be about average, or slightly below it.

Table 1.- Array of hog-corn price ratios during March-July, and corresponding changes in number of sows farrowing fall pigs, 1924-1950

Year	Hog-corn ratio, March-July 1/: United States	Hog-corn ratio, March-July 1/: North Central States	Number of sows farrowing in the fall	Increase or decrease from previous year in sows farrowing: Number	Increase or decrease from previous year in sows farrowing: Percent
			1,000 head	1,000 head	Percent
1926	18.0	20.3	4,330	391	9.9
1942	16.4	17.6	6,840	1,305	23.6
1949	15.5	16.0	5,726	568	11.0
1938	15.5	17.3	4,517	672	17.5
1936	14.9	16.5	3,957	100	2.6
1947	13.8	14.2	4,907	194	4.1
1939	13.6	15.5	5,352	835	18.5
1943	13.6	14.6	7,565	725	10.6
1941	13.3	14.1	5,535	772	16.2
1945	12.9	14.0	5,426	544	11.1
1927	12.8	13.5	4,609	279	6.4
1950	2/ 12.5	2/ 13.0	---	---	---
1930	11.8	13.2	4,073	-191	-4.5
1929	11.6	12.7	4,264	-165	-3.7
1931	11.4	13.0	4,797	724	17.8
1932	11.2	12.6	5,179	382	8.0
1944	11.1	12.3	4,882	-2,683	-35.5
1933	10.8	12.9	5,207	28	0.5
1925	10.8	11.8	3,939	-405	-9.3
1946	10.8	11.4	4,713	-713	-13.1
1948	10.4	10.4	5,158	251	5.1
1935	10.1	10.8	3,857	921	31.4
1928	8.8	9.4	4,429	-180	-3.9
1940	8.5	9.2	4,763	-589	-11.0
1937	8.5	8.6	3,845	-112	-2.8
1924	8.0	8.9	4,344	-1,448	-25.0
1934	6.9	8.0	2,936	-2,271	-43.6

1/ March-July is regarded as the breeding season for the fall pig crop.
2/ Partly forecast.

This situation would be the opposite of the past 2 years; in every month since July 1948 the ratio has been above average. It would mean that profits from the hog enterprise would depend more on efficiency of each farmer's production, and less on an unusually high price relationship, than has been the case the last two years.

Acreage Allotments On Corn to Affect Hog Production

In the past several years, corn production has not been subject to controls. The price of corn has been supported by loans and purchase agreements based on 90 percent of parity. In both 1948 and 1949, growing conditions were favorable and very large crops were raised. Since November 1948, the farm price of corn has ranged from $1.02 to $1.25 per bushel, 19 to 38 cents less than loan rates. The abundance of corn available at prices lower than loan rates, at a time of strong demand for hogs, was primarily responsible for an increase in hog production and for good returns from the hog enterprise.

This year, for the first time since 1942, corn acreage allotments are in effect in the commercial corn area. Producers in that area will be eligible for price support on corn only if they have complied with allotments. The extent of compliance will have an important bearing on the size of the 1950 corn crop and on the quantity of corn that will be available to livestock producers. It will therefore be a factor governing the size of the 1950 fall pig crop, and the profits to be obtained from it.

If compliance with allotments should be high, a large part of the 1950 corn could be stored under loan provided satisfactory space were available, and prices might approach loan rates. If compliance should be low, loan rates would have less effect on prices.

The March 15 report of farmers' intentions indicated a planted acreage of 82.8 million acres compared with 87.9 million planted last year. Nearly all the reduction was in the Corn Belt, and the percentage reduction was largest in the States where considerable corn is produced for commercial sale. The cut in acreage in the Corn Belt was smaller than is called for by allotments. On March 1, a substantial number of producers apparently were not planning to adhere to allotments.

Corn Production at Average Yields Would be Smaller Than in 1949

If yields per planted acre by States should be the same as the 1944-48 average, 2.8 billion bushels would be produced. If yields should be the same as in 1949, production on the acreage indicated by March intentions would be 3.1 billion bushels. Either figure would be considerable smaller than the 1949 crop of 3.4 billion bushels.

It is likely that less corn will be put under loan or delivered under purchase agreement in the 1950-51 year, than this year partly because fewer farmers will be eligible for loans or purchase. Nevertheless, unless yields per acre are so high as to produce a corn crop about as large or larger than last year, the quantity of corn not put under loan or agreement and therefore available at market prices is likely to be smaller in 1950-51 than in the present year. Another reason for expecting less "free" corn to be available next year is that less will be carried over. The carry-over of free corn next October promises to be considerably smaller than the nearly 400 million bushels of unsealed 1948 corn on farms at the beginning of the present season

Farmers may depart somewhat from their March intentions, and yields per acre are at this date unpredictable. There can be no more than a very rough indication of prices and supplies of corn next fall. It seems, though, that the hog producer may be justified in expecting corn prices to be somewhat nearer the loan rate next year. If yields are average or better, prices during the fall months of heavy harvest may not be as high as the loan. If yields are poor, prices probably will reach or slightly exceed the loan rate.

More Acres of Feeds Other Than Corn Indicated by Intentions

March 15 intentions point to an 8 percent larger acreage of oats, 24 percent more barley, 24 percent more sorghums for all purposes, 3 percent more hay, and 18 percent more acres in soybeans for beans in 1950 than in 1949. These increases will be planted mainly on land diverted from corn, wheat and cotton. At average yields per acre or better, the supply of feed from these crops would be larger than in 1949 and would offset some of the reduction in corn.

Past Increase in Pork Production Moderate

Even though annual pig crops have increased substantially the last few years, pork production has risen only slowly and pork consumption per person has changed little. The increase in numbers of hogs has been almost entirely offset by a decline in slaughter weights and by the growth in United States population.

The annual pig crop expanded from 83 millions in 1946 to 96 millions in 1949 (table 2). The number of hogs slaughtered in October 1946-September 1947, the marketing period corresponding to the 1946 pig crop year, was 61,265,000; in the current 1949-50 year about 68,000,000 will be slaughtered. Pork consumption per person was 71 pounds in 1946-47, and 69 and 68 pounds in succeeding years. It will probably increase about 2 pounds to 70 pounds in the 12 months October 1949-September 1950.

Table 2.- Pig crops, hog slaughter, and pork production and consumption, for corresponding pig-crop and hog-marketing periods, 1946-50

Year	Pig crop: Spring 1/	Pig crop: Fall 2/	Pig crop: Total	Commercial slaughter and pork production: Period October-September 3/	Number hogs slaughtered	Pork production 4/: Per head	Pork production 4/: Total	Civilian pork consumption: Total	Civilian pork consumption: Per person
	1,000 head	1,000 head	1,000 head		1,000 head	Pounds	Million pounds	Million pounds	Pounds
1946	52,392	30,548	82,940	1946-47	61,265	142.8	8,751	10,155	71.2
1947	52,802	31,345	84,147	1947-48	60,697	141.8	8,605	10,040	68.9
1948	51,266	33,921	85,187	1948-49	62,476	139.0	8,682	10,060	68.1
1949	59,039	37,262	96,301	1949-50	5/ 68,000	5/136	5/9,250	5/10,500	5/70
1950	6/62,500								

1/ In 6 months beginning December of preceding year.
2/ In 6 months beginning June.
3/ Approximate marketing period corresponding to December-November pig crop year. Marketings for October 1948-September 1949 included an unusually large number of hogs from the 1949 spring crop.
4/ Excludes lard.
5/ Data for March to September 1950 are forecasted. Estimates rounded.
6/ Average number of pigs per litter with allowance for trend used to compute indicated number of spring pigs. Number rounded to nearest 500,000 head.

Demand for Pork Weakens in Last Three Years

Declining prices for hogs in the last three years were mainly the response to a declining demand for pork products. Consumers' incomes have been generally steady, but demand for all meat, and especially for pork, has declined relative to those incomes. The retail value of meat consumption in 1947 was 6.4 percent of disposable incomes. In 1949 it was down to 5.6 percent. Of this drop, slightly more than half was accounted for by pork. Demand for other meats has held up better than has that of pork (table 3).

Prices have declined more for fat cuts of pork than for lean. The New York wholesale price of dry salt backs in 3 weeks of March this year was less than half the price three years earlier. Picnics and bacon were 27-30 percent below their March 1947 price. Prices of hams and fresh loins were within 18-20 percent of their March 1947 price (table 4).

Prices of lard have fallen off most of all. The New York wholesale price was only 39 percent as high this March as three years before.

Table 3.- Retail value of meat consumed related to disposable personal income, average 1937-41, 1947-49

Year	Disposable personal income per person	Retail value of meat consumed as a percentage of disposable income: All meat	Beef	Pork, excluding lard
	Dollars	Percent	Percent	Percent
Average 1937-41	568	5.3	2.3	2.4
1947	1,187	6.4	2.9	2.8
1948	1,294	6.1	2.9	2.6
1949	1,274	5.6	2.7	2.3

Disposable income data from U. S. Department of Commerce.

Table 4.- Wholesale price of Western dressed pork cuts, New York and average price received by farmers for hogs, March, 1937-41 average, 1947 and 1950

Cut	Price, per 100 pounds: March 1937-41 average	March 1947	March 1950 1/	Price March 1950 as pct. of: March 1937-41 average	March 1947	Price relative to price of 12-16lb. loins: March 1937-41 average	March 1947	March 1950
Pork, wholesale, New York City	Dollars	Dollars	Dollars	Percent	Percent	Percent	Percent	Percent
Fresh								
Loin, 8-12 pound	17.65	50.52	41.57	236	82	107	104	104
Loin, 12-16 pound	16.56	48.62	39.90	241	82	100	100	100
Boston butt, 4-8 pound	16.54	45.38	35.53	215	78	100	93	89
Spareribs, half	12.55	40.22	2/34.67	276	86	76	83	87
Cured								
Ham, skinned, No. 1, 12-16 pound	3/21.38	60.75	49.48	231	81	129	125	124
Ham, skinned, No. 1, 16-18 pound	21.15	59.69	47.87	226	80	128	123	120
Picnics, 4-8 pound ..	15.18	45.50	33.37	220	73	92	94	84
Bacon, No. 1, 8-10 pound	22.84	61.00	42.55	186	70	138	125	107
Back, dry salt, 6-20 pound	9.52	29.12	13.70	144	47	57	60	34
Lard, refined 4/	9.69	35.96	14.12	146	39	59	74	35
Hogs								
Price received by farmers	7.42	26.50	5/	---	---	---	---	---

Compiled from Livestock Market News, PMA.
1/ March 1950 price is average for 3 weeks ending March 18. 2/ Price for 3 pounds down. 3/ Price for Regular, 12-14 pound. 4/ Prime steam, in 1-pound cartons.
5/ Not yet available. Probably more than $10.00 below price in March 1947.

To some extent the changes in prices since 1947 are a readjustment from the special conditions of that year, when fats and oils especially were in short supply relative to demand and their prices were exceptionally high. But fat cuts and lard are currently lower in price than lean cuts as judged by prewar relationships. Comparisons may be made by the ratios of prices among various cuts in March 1937-41 and March 1950 (table 3). In March 1937-41, hams and bacon sold at wholesale for 28-38 percent above the price of 12-16 pound loins, picnics were 8 percent lower than loins, and dry salt backs were priced 43 percent under loins. In March 1947 the premium for hams and bacon was down to about 25 percent, but picnics and dry salt backs had changed little in their price relationship with loins. By March 1950, however, the price advantage for hams and bacon had shrunk more, and the discount for picnics had widened to 16 percent and that for dry salt backs to 66 percent.

Of the total price decline for hogs of over $10.00 per 100 pounds the past 3 years, approximately $4.50 to $5.00 may be ascribed to lower prices for lean cuts and bacon, which comprise two-thirds of all products by weight and, in 1947, three-fourths by value; and approximately $4.50 to lower prices for the secondary fat cuts and lard. About 20-30 cents of the total decline represents a smaller return from byproducts, and $1.00 to $1.50 represents an increased charge for all marketing, slaughtering, processing and distributing services.

Beef Supply May Be Larger Next Year

Beginning next year, beef and veal will probably be the chief source of increases in meat supplies. The expansion in cattle numbers that began in 1949 will begin to show up in larger slaughter supplies of cattle and calves sometime in 1951. The rate at which beef and veal output rises is likely to be moderate, at least in the first year or two. Any increase in 1951 is likely to have some influence on demand and price for pork.

Demand May Be Key to Hog Prices in 1950-51

Average slaughter weights of hogs are likely to continue their downward trend. If they do, a moderate increase in the pig crop this year would be absorbed as before without material change in the supply of pork per person, and without any great price depressing effect.

On this basis, demand for pork, the principal cause of a lowering price for hogs from 1947 to 1950, may be of first importance again in 1950-51. If consumers' incomes remain high and demand for pork relative to incomes does not decline much more, prices of hogs in 1951 may be only slightly lower than in 1950. No sharp break in incomes is now foreseen, and inasmuch as the retail value of pork consumption is now down to a prewar average relationship to consumers' incomes, the biggest part of the postwar adjustment in demand for hogs may be approaching an end.

A slightly lower price for hogs and a slightly higher price for corn next year than this would mean that the hog-corn price ratio at the marketing season for 1950 fall pigs would be down to, or possibly just below, the

longtime average level. As one major exception to this appraisal, in the event of poor corn yeilds in 1950 the price of corn next year would be higher than the loan rate and the hog-corn price ratio would be below average.

In a longer outlook, a real problem is production of the type of hog, and quality of pork, that will best satisfy consumer preferences. Scattered reports on consumers' desires and price trends indicate a preference for lean meat. There would be an advantage in producing hogs that not only yield a maximum poundage of so-called lean cuts, but would also produce a minimum fat content in those cuts. Use of more oats, barley, byproduct feeds, and such forage as alfalfa and ladino clover is in the direction of lean meat production, but in a single year and uncoupled with changes in breeding these small shifts in feed will have little noticeable effect on the quality of pork. Over a period of years, breeding programs are a major possibility for a shift to a leaner type of hog.

The fat content of hog carcasses can be reduced by marketing hogs at light weights. The adjustment possible by this method is rather moderate, because the percent yield of fat by weight groups changes only gradually and because farmers have not generally found it profitable to sell hogs at very light weights.

There is a fundamental conflict between preferences of consumers for lean meat and the special adaptation of midwest farm lands to culture of corn, a fat-producing feed.

Hog Slaughter Rises in March, Prices Slip

Hogs from the 1949 fall pig crop began to appear on markets in March, and weekly slaughter increased slowly from its February low. Prices retained a small margin above the 7-market weekly guide to price support until the week ended March 18, when they dropped to 10 cents below the guide.

A seasonal decline is likely in hog prices for at least a month or two. During April and May the supply of hogs is expected to be considerably larger than last year, because the numbers of sows farrowing last August and September were respectively 21 and 16 percent larger than in the same months of 1948. From mid-June through July, supplies of slaughter hogs are likely to be only moderately larger than a year earlier.

Shipments of Stocker and Feeder Cattle Continue Large; Prices Climb Further

Aggressive buying of stocker and feeder cattle is indicated by data on shipments at 5 markets. Combined shipments at Chicago, Kansas City, Omaha, South St. Paul and Sioux City the 3 weeks ended March 18 were 11 percent larger than a year earlier. Prices have climbed steadily. The average price for stockers and feeders at Kansas City the week ended March 18 was up to $25.25 per 100 pounds from $21.78 the first week in January. Prices this March were about $1.00 higher than last March and nearly equal to the record for the month set in 1948.

Prices of stockers and feeders in March were not especially high in relation to March prices of slaughter steers, but they were approaching a point at which feeding margins might be considerably smaller than in recent years. Only if prices of slaughter cattle should be as high or higher next fall and winter than they were this past season could the favorable margins of the last two years be realized (table 5.) Price trends for Good slaughter steers in 1950 are likely to be considerably different from their almost unbroken 10-month advance last year beginning in February. Supplies of well-finished cattle have been slow to appear on the market this year and the peak in their marketings is likely to come later than in 1949. Although a seasonal rise in prices of fed cattle beginning in mid-summer is expected to follow the seasonal decline that is now in progress, prices in the late summer and fall may be lower than last year.

The demand for stockers and feeders this season is strengthened by the strong demand for cows and heifers for breeding and replacement. This seems to be a characteristic of the expansion in cattle numbers now taking place. Demand for cows and heifers for addition to herds may continue to be a strengthening factor in prices of stocker and feeder cattle in the next year or two as cattle numbers continue upward.

As has been true for a number of months, a higher proportion than a year earlier of the feeder and stocker cattle moving through 5 markets has been of lighter weights. In 3 weeks ending March 16, the number of steers of 501-700 pounds was up from 3 weeks last March by 37 percent, and of calves by 65 percent. The effect on the beef supply of larger numbers of light weight stock going on grass or feed will appear partly in late months of 1950, but will also carry over into much of 1951.

Table 5.- Prices of stocker and feeder steers at Kansas City in March compared with prices of Good slaughter steers at Chicago the same month and 7 months later, 1947-50

Year	March price of stocker and feeder steers at Kansas City per 100 pounds	Price of Good grade slaughter steers at Chicago: March: Price	March: Margin over March price of stockers and feeders	Following October: Price	Following October: Margin over March price of stockers and feeders
	Dollars	Dollars	Dollars	Dollars	Dollars
1947	20.13	24.05	3.92	29.55	9.42
1948	25.57	26.92	1.35	32.24	6.67
1949	24.37	24.19	-.18	29.63	5.26
1950	1/25.29	1/27.37	1/2.08	---	---

Compiled from Livestock Market News, Livestock Branch, PMA.
1/ Average for 3 weeks ended March 16.

Slightly More Early Spring Lambs This Year

The early lamb crop in the principal producing States is estimated to be 2 percent larger than last year. This increase, the first in 9 years, results from the greater proportion of ewes lambing before March 1 in the Southeastern States and Missouri. In each of those States except Virginia the number of breeding ewes is down from last year, and the total lamb crop for 1950, early and late combined, is expected to be smaller than the 1949 crop. The number of early-crop lambs saved per 100 ewes is about the same as last year.

In general, early lambs were making good progress on March 1. Only in the Pacific Coast States did cold weather retard growth of feed and developments of lambs.

Marketings of early lambs before July 1 are expected to be somewhat larger than last year, when severe winter weather delayed progress of lambs in some Western States. It is likely that a smaller proportion of the early crop will be sold as feeders this year than last.

1949 Wool Price 30-Year High; Wool Production Record Low

Farmers received an average price of 49.3 cents per pound for wool in 1949, one-half cent more than the 1948 average and the highest price since 1919. Production of shorn wool was 216,950,000 pounds, 7 percent less than 1948 production and a record low. Cash receipts of 107 million dollars were 6 percent less than those of the previous year, since the increase in price was not large enough to offset the reduction in quantity produced (table 6).

Production of pulled wool in 1949, also a record low, was down 22 percent from 1948. The large drop reflected the much smaller slaughter of sheep and lambs last year. Producers marketed a smaller percentage of their lamb crop in 1949 than in 1948 and reduced their inventory numbers less than in previous years. There are indications that sheepmen will maintain or increase numbers in 1950.

Table 6.- Production, price and income from wool, United States, 1942-49

Year	Sheep shorn number 1/	Weight per fleece	Production shorn wool	Price per pound	Cash receipts	Pulled wool production
	Thousands	Pounds	1,000 lb.	Cents	1,000 dol.	1,000 lb.
1942	49,287	7.88	388,297	40.1	155,728	66,700
1943	47,892	7.91	378,843	41.7	157,825	65,200
1944	43,165	7.84	338,318	42.4	143,513	73,500
1945	38,763	7.94	307,949	41.9	129,122	70,500
1946	34,718	8.08	280,487	42.3	118,639	61,300
1947	31,241	8.09	252,798	42.0	106,052	56,600
1948	29,060	8.05	233,924	48.8	114,072	46,600
1949	26,972	8.04	216,950	49.3	106,874	36,400

1/ Includes sheep shorn at commercial feeding yards.

Selected Price Statistics for Meat Animals 1/

Item	Unit	Jan.-Feb. Av. 1949	Jan.-Feb. Av. 1950	1949 February	1950 January	1950 February	1950 March
Cattle and calves							
Beef steers, slaughter	Dollars per						
Chicago, Choice and Prime	100 pounds	27.51	35.75	25.61	36.80	34.70	
Good	do.	23.86	27.66	22.99	28.14	27.19	
Medium	do.	21.45	24.13	20.49	24.13	24.13	
Common	do.	19.44	21.00	18.39	20.44	21.55	
All grades	do.	23.30	25.78	22.25	25.98	25.58	
Omaha, all grades	do.	22.09	24.22	21.34	24.47	23.97	
Sioux City, all grades	do.	21.60	24.30	20.68	24.55	24.06	
Cows, Chicago							
Good	do.	18.34	18.38	17.52	17.50	19.27	
Common	do.	2/16.04	16.04	15.61	15.50	16.59	
Canner and Cutter	do.	15.20	14.16	14.90	13.98	14.34	
Vealers, Good and Choice, Chicago	do.	31.83	30.94	31.06	30.66	31.23	
Stocker and feeder steers, Kansas City	do.	21.70	23.54	21.25	22.94	24.13	
Price received by farmers							
Beef cattle	do.	19.35	19.90	18.70	19.40	20.40	
Veal calves	do.	24.70	23.95	24.30	23.30	24.60	
Hogs							
Barrows and gilts							
Chicago							
160-180 pounds	do.	21.23	16.90	20.94	16.51	17.30	
180-200 pounds	do.	21.36	17.05	21.14	16.57	17.53	
200-220 pounds	do.	21.15	16.98	20.94	16.40	17.56	
220-240 pounds	do.	20.59	16.60	20.48	15.94	17.25	
240-270 pounds	do.	19.82	16.06	19.81	15.34	16.78	
270-300 pounds	do.	19.06	15.60	19.04	14.87	16.32	
All weights	do.	19.76	16.20	19.78	15.54	16.85	
Seven markets 4/	do.	19.59	16.20	19.50	15.62	16.78	
Sows, Chicago	do.	16.45	13.55	16.50	12.50	14.60	
Price received by farmers	do.	19.85	15.85	19.60	15.10	16.60	
Hog-corn price ratio 5/							
Chicago, barrows and gilts	do.	14.7	12.5	15.6	12.0	13.0	
Price received by farmers, all hogs	do.	16.8	13.7	17.5	13.1	14.3	
Sheep and lambs							
Sheep							
Slaughter ewes, Good and Choice, Chicago	do.	11.02	12.63	11.19	12.22	13.04	
Price received by farmers	do.	9.20	9.92	9.24	9.64	10.20	
Lambs							
Slaughter, Good and Choice, Chicago	do.	24.52	24.26	24.38	23.20	25.32	
Feeding, Good and Choice, Omaha	do.	---	24.38	---	23.64	25.12	
Price received by farmers	do.	21.70	22.20	21.50	21.60	22.80	
All meat animals							
Index number price received by farmers (1910-14=100)		316	296	309	286	306	
Meat							
Wholesale, Chicago	Dollars per						
Steer beef carcass, Good, 500-600 pounds	100 pounds	37.90	43.08	36.33	43.90	42.25	
Lamb carcass, Good, 30-40 pounds	do.	45.89	6/45.50	44.88	45.50	---	
Composite hog products, including lard							
72.84 pounds fresh	Dollars	22.28	17.93	22.05	17.40	18.46	
Average per 100 pounds	do.	30.59	24.62	30.27	23.89	25.34	
71.32 pounds fresh and cured	do.	25.52	20.90	25.23	20.34	21.47	
Average per 100 pounds	do.	35.78	29.30	35.38	28.52	30.10	
Retail, United States average	Cents						
Beef, Good grade	per pound	64.4	---	60.3	67.1	---	
Lamb	do.	60.4	---	59.7	62.8	---	
Pork, including lard	do.	41.6	---	40.4	35.7	---	
Index number meat prices (BLS)							
Wholesale (1926=100)		217.6	---	212.5	208.3	---	
Retail (1935-39=100)		220.2	---	212.3	217.9	---	

1/ Annual data for most series published in Statistical Appendix to this Situation, February 1950.
2/ Cutter and Common.
3/ Average for prices of Cutter and Common, and of Canner (Low Cutter).
4/ Chicago, St. Louis N. S. Y., Kansas City, Omaha, Sioux City, S. St. Joseph, and S. St. Paul.
5/ Number bushels of corn equivalent in value to 100 pounds of live hogs.
6/ Price for January only.

Selected marketing, slaughter and stocks statistics for meat animals and meats 1/

Item	Unit	January-February 1949	January-February 1950	1949 February	1950 January	1950 February	1950 March
Meat animal marketings							
Index number (1935-39=100)		138	144	123	158	122	
Stocker and feeder shipments to 8 Corn Belt States							
Cattle and calves	1,000 head	165	245	72	133	112	
Sheep and lambs	do.	225	227	74	115	112	
Slaughter under Federal inspection							
Number slaughtered							
Cattle	do.	2,120	2,041	994	1,103	939	
Calves	do.	960	908	476	465	443	
Sheep and lambs	do.	2,280	1,941	1,046	1,077	863	
Hogs	do.	9,456	10,035	4,080	5,844	4,191	
Percentage sows	Percent	8	---	8	10	---	
Average live weight per head							
Cattle	Pounds	985	2/ 993	990	993	2/ 993	
Calves	do.	191	2/ 189	180	196	2/ 181	
Sheep and lambs	do.	97	2/ 102	98	100	2/ 103	
Hogs	do.	253	2/ 244	250	247	2/ 241	
Average production							
Beef, per head	do.	537	2/ 539	542	539	2/ 539	
Veal, per head	do.	106	2/ 105	100	109	2/ 101	
Lamb and mutton, per head	do.	45	2/ 48	46	48	2/ 48	
Pork, per head 3/	do.	140	2/ 137	138	138	2/ 136	
Pork, per 100 pounds live weight 3/	do.	56	2/ 56	55	56	2/ 56	
Lard, per head	do.	39	2/ 36	38	37	2/ 35	
Lard, per 100 pounds live weight ..	do.	15	2/ 15	15	15	2/ 15	
Total production							
Beef	Million pounds	1,132	2/ 1,098	536	592	2/ 506	
Veal	do.	101	2/ 95	47	50	2/ 45	
Lamb and mutton	do.	103	2/ 92	48	51	2/ 41	
Pork 3/	do.	1,326	2/ 1,374	563	804	2/ 570	
Lard	do.	369	362	157	215	147	
Total commercial slaughter 4/							
Number slaughtered							
Cattle	1,000 head	2,943	---	1,374	1,510	---	
Calves	do.	1,644	---	811	802	---	
Sheep and lambs	do.	2,480	---	1,136	1,169	---	
Hogs	do.	11,692	---	5,121	7,024	---	
Total production							
Beef	Million pounds	1,501	---	708	778	---	
Veal	do.	175	---	83	87	---	
Lamb and mutton	do.	111	---	51	55	---	
Pork 3/	do.	1,615	---	697	954	---	
Lard	do.	420	---	180	244	---	
Cold storage stocks first of month							
Beef	do.	---	---	151	121	130	112
Veal	do.	---	---	20	16	13	11
Lamb and mutton	do.	---	---	22	14	14	13
Pork	do.	---	---	585	474	583	574
Total meat and meat products 5/	do.	---	---	889	725	850	817

1/ Annual data for most series published in Statistical Appendix to this Situation, February 1950.
2/ February estimated from weekly data.
3/ Excludes lard.
4/ Federally inspected, and other wholesale and retail.
5/ Includes stocks of sausage and sausage room products, canned meats and canned meat products, and edible offals, in addition to the four meats listed.

U. S. Department of Agriculture
Washington 25, D. C.

OFFICIAL BUSINESS

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Permit No. 1001

Penalty for private use to avoid payment of postage $300

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Fewer Cattle Imported From Canada in 1949 Than in 1948

In 1949, imports of cattle from Canada numbered 433,000 head, 6 percent less than 1948 imports. Considerably fewer breeding and slaughter cattle, but more feeder cattle and calves, were imported from Canada in 1949 than in 1948.

The number of cattle imported from Canada in both 1948 and 1949 was well above the number in prewar years. The peak year before the war was 1937, when 307,000 head came over the Northern border. In those years, however, many feeder and stocker cattle were bought in from Mexico. In 1939, combined imports from Canada and Mexico were 763,000 head. No cattle may enter the United States from Mexico now because of the presence of foot-and-mouth disease in that country.

Imports of cattle from Canada in the first two months of 1950 were much larger than a year earlier, reflecting the high prices for both feeder and slaughter cattle in the United States. However, because cattle numbers in Canada have been reduced steadily, and prices of top grade slaughter cattle in this country are likely to decline, total 1950 imports from Canada may be smaller than the 1949 total.